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IN THE

Supreme Court of the United States

STATE OF WISCONSIN, STATE OF MINNESOTA, STATE OF OHIO, and STATE OF PENNSYLVANIA, *Complainants,* vs. STATE OF ILLINOIS and THE SANITARY DISTRICT OF CHICAGO, *Defendants.* STATE OF MISSOURI, STATE OF KENTUCKY, STATE OF TENNESSEE, STATE OF LOUISIANA, STATE OF MISSISSIPPI, and STATE OF ARKANSAS, *Intervening Defendants.*	No. ~~7~~ 5 Original.
STATE OF MICHIGAN, *Complainant,* vs. STATE OF ILLINOIS and THE SANITARY DISTRICT OF CHICAGO, et al., *Defendants.*	No. 11, ~~—~~ 8 Original.
STATE OF NEW YORK, *Complainant,* vs. STATE OF ILLINOIS and THE SANITARY DISTRICT OF CHICAGO, et al., *Defendants.*	No. ~~12~~, 9 Original.

SEMI-ANNUAL REPORT OF THE SANITARY DISTRICT OF CHICAGO OF JULY 1, 1932, MADE PURSUANT TO DECREE OF APRIL 21, 1930.

FRED KLEIN CO. 24 PRINTERS, CHICAGO.

IN THE

Supreme Court of the United States

NOS. 7, 11 AND 12, ORIGINAL.

OCTOBER TERM, 1929.

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SEMI-ANNUAL REPORT OF THE SANITARY DISTRICT OF CHICAGO OF JULY 1, 1932, MADE PURSUANT TO DECREE OF APRIL 21, 1930.

Pursuant to provisions of paragraph numbered 5 of the Decree in the above entitled causes, entered on April 21, 1930, the Defendant, The Sanitary District of Chicago, hereby makes its semi-annual report of July 1, 1932, as follows:

CONSTRUCTION PROGRAM.

In the semi-annual report of January 1, 1932, the status of the sewage treatment construction program involved in this case was stated to be on December 1, 1931, as follows:

TABLE 1.

COMPLETED WORK AS OF DECEMBER 1, 1931.

Calumet Project	$20,764,788.56	
North Side Project	36,881,252.58	
West Side Project (including Des Plaines)	41,272,214.50	
Southwest Side Project	271,291.57	
Miscellaneous Plants and Sewers	595,978.63	
Chicago River Controlling Works	53,415.74	$ 99,833,941.58

TABLE 2.

FUTURE WORK AFTER DECEMBER 1, 1931.

Calumet Project	$18,885,133.46	
North Side Project	4,973,258.85	
West Side Project (including Des Plaines)	61,461,039.82	
Southwest Side Project	70,545,708.43	
Miscellaneous Plants and Sewers	9,906,619.43	
Chicago River Controlling Works	3,946,584.26	$169,718,344.25

During the interim of six months between the date of the last report and the present report, very little construction has been accomplished. Work has been prosecuted diligently with a greatly reduced force (36 per cent of the organization as it was six months ago) on design of the Calumet and West Side Projects and on studies for the Southwest Side Project.

Calumet Project. Construction work on the Calumet Pumping Station and Blower House and on the Aeration Tanks, Operating Galleries and Final Set-

tling Tanks has been discontinued since December, 1931, because of the inability of the Sanitary District to pay the contractors, as was indicated in the last report. Preliminary designs have been made for some of the Calumet Sewers and a comprehensive study and report has been made on the digestion and disposal of sludge for the whole Calumet Project, in which comparative estimates were made between Imhoff Tanks, Sedimentation with Separate Sludge Digestion and Sedimentation with Dewatering and Incineration of the sludge without digestion.

West Side Project. Construction work on the third battery of Imhoff Tanks and on Contract Sections Three and Four of the West Side Sewer has also been discontinued since December, 1931. Plans have been completed for Contract Sections Five and Six of the West Side Sewer but no money is presently available for this construction. A contract was awarded March 24, 1932, for the construction of a Sludge Filtering and Drying Unit at the West Side Works, the financing of which was made possible by the use of tax anticipation warrants. This unit will be completed during July, 1932, and used for the dewatering and incineration of sludge. The results obtained will be helpful in the design of future projects.

Southwest Side Project. There have been no further developments toward the acquisition of the site originally contemplated for the Southwest Side Treatment Works. Preliminary layouts have been made which indicate that these works might be constructed on a portion of the land acquired for the extension of the West Side Works, if dewatering and incineration of sludge proves practicable.

The suit in the Federal District Court to determine the right of the Sanitary District to have access to the packing plants in the Stock Yards district was finally argued on March 18, 1932, on a motion to dismiss. The motion was overruled and the case was referred to a Master in Chancery to take testimony.

Financial. As stated in the last report, a crisis had been reached in the financial affairs of the Sanitary District in December, 1931. In the six months which have intervened since that time, conditions, instead of improving, have steadily grown worse. The Sanitary District has unsold bonds to the amount of $7,614,000 out of the $27,000,000 of bonds authorized by the Illinois General Assembly in 1929, in addition to $36,000,000 of bonds approved by the voters in February, 1931, but these resources for construction, amounting to approximately $43,000,000, are of no avail under present depression conditions, since no reasonable offer from any source can be obtained for the purchase of bonds.

The tax situation in Cook County, Illinois, has not improved since the time of the last report. Approximately 16 per cent of the 1928 taxes are still unpaid, approximately 30 per cent of the 1929 taxes are uncollected and only 50 per cent of the 1930 taxes have been paid to date. Delinquent taxes in Cook County amount to about $220,000,000 which is not much less than a whole year's tax levy. The 1931 taxes, which under ordinary conditions would have been collected by May 1, 1932, have not yet been extended for collection, so the statement can be made fairly that the municipalities in Cook County are now

behind in their revenues an amount equivalent to their income for approximately two years. Few privately owned business organizations could survive under such circumstances.

As stated in the last report the Governor of the State of Illinois at the instance of numerous civic organizations and special committees appointed by industrial enterprises and officials of various municipalities, in November, 1931, called the members of the Legislature in special session to act on certain measures to remedy the financial situation confronting the State, its municipalities and various taxing districts therein. In January, 1932, and again in February, 1932, the Governor called the members of the Legislature in special session to consider similar measures, and all three sessions adjourned sine die on May 6, 1932. The full results which were anticipated to materialize from the passage of certain remedial acts have not been realized and the financial status of the State, its municipalities and taxing districts has remained substantially the same.

The Sanitary District has not been able to pay current bills or to make any payments to its contractors for construction work, since November 1, 1931, except in a few cases where the payee succeeded in finding purchasers of tax anticipation warrants the proceeds of which were used in making payments. In the necessary efforts to retrench, the personnel of the Engineering organization which has to do with the Sewage Treatment Construction Program was reduced 64 per cent between December, 1931 and June, 1932. The organization is not broken up, as yet, and can be expanded when the necessary funds

become available. Salaries of the force which remains have been reduced since January 1, 1932, and have been unpaid since April 1, 1932.

The Sanitary District has been forced, through lack of normal incoming revenue from taxes, to default in payments of principal and interest on bonds used for construction work in the following amounts:

January 1, 1932	$1,519,935.00
February 1, 1932	469,037.50
March 1, 1932	331,440.00
April 1, 1932	1,090,625.00
April 25, 1932	168,000.00
May 1, 1932	996,312.50
June 1, 1932	582,375.00
Total in default June 15, 1932	$5,157,755.00

A further default in payment of principal and interest on bonds due July 1, 1932 in the amount of $2,438,300 is expected, after which date the total amount in default will be $7,596,055. It is obvious that under such conditions very little progress can be made on the Sewage Treatment Construction Program and adequate progress cannot be expected until there is a return to more nearly normal business conditions throughout the country, unless financial aid can be arranged through some body more authoritative than any local organization, such as the United States Congress. An effort has been made to obtain funds from the Reconstruction Finance Corporation, by pledging as security bonds, already authorized to be issued. Up to the present time, this and all other efforts to provide finances for this construction, made necessary by the order of the Supreme Court, have been unsuccessful.

The total work accomplished by The Sanitary District of Chicago in the construction of sewage treatment works during the period from December 1, 1931 (the date of the summaries for the last report), and June 1, 1932 (the date of the summaries for this report), as measured by construction expenditures, was as follows:

TABLE 3.

Calumet Project	$ 63,898.74	
North Side Project	9,181.36	
West Side Project	206,353.80	
Southwest Side Project	1,304.44	$280.738.34

By adding the various items indicated in Table 3 to corresponding items in Table 1 and subtracting them from corresponding items in Table 2, the status of the sewage treatment construction program on June 1, 1932, is as follows:

TABLE 4.

COMPLETED WORK AS OF JUNE 1, 1932.

Calumet Project	$20,828,687.30	
North Side Project	36,890,433.94	
West Side Project	41,478,568.30	
Southwest Side Project	272,596.01	
Miscellaneous Plants and Sewers	595,978.63	
Chicago River Controlling Works	53,415.74	$100,119,679.92

TABLE 5.

FUTURE WORK AFTER JUNE 1, 1932.

Calumet Project	$18,821,234.72	
North Side Project	4,964,077.49	
West Side Project	61,254,686.02	
Southwest Side Project	70,544,403.99	
Miscellaneous Plants and Sewers	9,906,619.43	
Chicago River Controlling Works	3,946,584.26	$169,437,605.91

SEWAGE TREATMENT.

The population of The Sanitary District of Chicago, as of July 1, 1932, is about 4,084,000, according to estimates made from the figures of the 1930 census. The industrial wastes in the Sanitary District are assumed as equivalent to 1,723,000 additional persons. Hence the total population and industrial wastes equivalent amount to 5,807,000. This figure includes the Corn Products wastes, equivalent to the sewage of 393,000 persons, which wastes have been greatly reduced as a result of certain experimental work initiated by the Sanitary District.

The 1932 total population, and industrial waste equivalent, as above indicated, are estimated as 5,807,000. Up to date, the Sanitary District has assumed that sewage treatment could produce an annual average of 85 per cent purification. Hence, so called complete treatment for the total July 1, 1932, population and industrial wastes equivalent would equal the 100 per cent treatment of the sewage of 4,936,000, which is 85 per cent of 5,807,000.

The expenditures for sewage treatment have been indicated in Tables 1, 3 and 4. The amounts of actual sewage treatment in operation on December 25, 1931 (as of the time of the last report to the Supreme Court) and at the present time are shown in Tables 6 and 7, following:

TABLE 6.

ACTUAL SEWAGE TREATMENT IN OPERATION AS OF DECEMBER 25, 1931.

Treatment Works	Population Equivalent	Percentage Treatment	Treatment 100 Per Cent Basis
Calumet:			
(Complete treatment)	15,000	85	13,000
(Sedimentation)	198,000	33⅓	66,000
North Side 1,049,000		85	895,000
West Side (Sedimentation)..	729,000	33⅓	243,000
Miscellaneous (Morton Grove, Glenview, Northbrook) ...	6,000	85	5,000
Corn Products (Reduction)..	373,000		301,000
Total.....2,370,000			1,523,000

TABLE 7.

ACTUAL SEWAGE TREATMENT IN OPERATION AS OF JUNE 25, 1932.

Treatment Works	Population Equivalent	Percentage Treatment	Treatment 100 Per Cent Basis
Calumet:			
(Complete treatment)	15,000	85	13,000
(Sedimentation)	202,000	33⅓	67,000
North Side 1,076,000		85	915,000
West Side (Sedimentation)..	736,000	33⅓	245,000
Miscellaneous (Morton Grove, Glenview, Northbrook) ...	6,000	85	5,000
Corn Products (Reduction)..	393,000		317,000
Total.....2,428,000			1,562,000

The extent of the operation of sewage treatment plants at the present time is equal to the 100 per cent treatment of the sewage of 1,562,000 out of 4,936,000 persons, which would be the present possible 100 per cent treatment if the sewage of the total population and industrial wastes equivalent of 5,807,000 was being treated. This indicates the treatment of 31.6 per cent of the total sewage within the Sanitary District.

DIVERSION OF WATER.

The net diversion of water from Lake Michigan during the calendar year 1931 averaged 6500 cubic feet per second. The domestic pumpage of the Chicago metropolitan area during this period averaged 1680 cubic feet per second; and the total flow from the Main Channel at Lockport averaged 8180 cubic feet per second.

The average monthly diversion of water from Lake Michigan from January 1 to June 20, 1932, is indicated in the table following:

Month 1932	Total Flow From Main Channel at Lockport C.F.S.	Inflow From Willow Springs Spillway C.F.S.	Domestic Pumpage Chicago Metropolitan Area C.F.S.	Net Diversion From Lake Michigan C.F.S.
January	8005	2	1595	6410
February	7420	0	1610	5810
March	7155	25	1585	5545
April	7800	1	1575	6225
May	8190	0	1620	6570
June 1 to 20.....	8265	0	1690	6575
Average	7805	5	1610	6190

All of which is respectfully submitted,

THE SANITARY DISTRICT OF CHICAGO,

By THOMAS J. BOWLER,
Its President.

EDWARD J. KELLY,
Its Chief Engineer.

WILLIAM ROTHMANN,
Its Attorney.

Attest:

JAMES J. SULLIVAN,
Clerk.